

County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012 (213) 974-1101 http://cao.co.la.ca.us

April 12, 2005

Board of Supervisors GLORIA MOLINA First District

YVONNE B. BURKE Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

AMENDMENT NO. 3 TO LEASE NO. 61564 OFFICE OF THE PUBLIC DEFENDER 3655 TORRANCE BOULEVARD, TORRANCE (FOURTH DISTRICT) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Approve and instruct the Chair to sign Amendment No. 3 to Lease No. 61564 with Omnis International, LLC (Lessor), for 8,106 rentable feet of office space located at 3655 Torrance Boulevard, Torrance, for use by the office of the Public Defender (PD), at the annual rental rate of \$170,226. The rental costs are net County cost. The new five-year lease term will commence upon adoption by the Board.
- 2. Find that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061 (b) (3) of the State CEQA Guidelines.
- 3. Approve the project and authorize the Chief Administrative Office (CAO) and the PD to implement the project.

The Honorable Board of Supervisors April 12, 2005 Page 2

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since December 1989, the PD has occupied approximately 8,106 gross square feet of office space at the subject facility. The office houses approximately 36 paralegal, investigative, management and attorney staff who provide direct legal services and counsel to indigent persons summoned for court proceedings at the nearby Torrance Courthouse.

The existing lease term expired February 28, 2005, and we are currently operating in the space on a month-to-month holdover basis. The PD has requested that a lease extension be executed for the non-interrupted continuance of their operations at the facility. Adoption of the lease amendment will provide PD the office space necessary for the region until such time that it is determined what program(s) are to occupy the vacant Torrance Health Center at 2300 West Carson Street, the seismic retrofit improvement project which is scheduled to be completed by February 2006.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we provide the public with easy access to quality information and services that are both beneficial and responsive (Goal 1). In this case, the proposed lease amendment supports this goal with a suitably located office with appropriate workspace for the PD as further outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed lease amendment will provide the PD uninterrupted use of 8,106 gross square feet of office space and 27 parking spaces at a monthly rent of \$14,185.50, or \$170,226 annually, fixed for the remaining term of the lease.

3655 TORRANCE BOULEVARD	EXISTING LEASE	PROPOSED AMENDMENT	CHANGE	
Area (Square feet)	8,106	8,106	None	
Term	03/01/2000 - 02/28/2005 currently month-to-month	5 years upon Board adoption	+ five years	
Annual Base Rent	\$155,635.20 or \$19.20/sq. ft., full service gross	\$170,226 or \$21.00/sq. ft., full-service gross	+ \$14,590.50 or \$1.80/sq. ft.	
Annual Amortized Tenant Improvements	\$56,742 or \$7.00/sq. ft.,	None	No Tenant Improvements	
Parking (included in base rent)	27 off-street spaces	27 off-street spaces	None	
Cancellation	County after 30 months upon 90 days prior written notice	County after 18 months upon 90 days prior written notice	- One year	
Option to Renew	None	None	None	
Purchase Right	None	None	None	
Rental Adjustment	\$9,732/year increase at the 31 st month	None	Rental rate fixed for term	

This is a full-service lease whereby the Lessor is responsible for all operating costs associated with the County's occupancy. The rental rate of \$1.75/\$21.00 per square foot per month/year will be fixed through the extended term of the lease. Parking is included in the rental rate.

Sufficient funding for the base rent of the proposed amendment is included in the 2004-05 Rent Expense budget and will be billed back to the PD. Sufficient funding will be proposed in the Rent Expense Budget for the 2005-06 fiscal year. Sufficient funding is available in the PD operating budget to cover projected lease costs. The rental cost for the PD is net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County has been housed at this location since December 1989 on a single floor for the described operation when the office space was improved for County use. The proposed amendment will provide uninterrupted use of 8,106 gross square feet of office space and 27 parking spaces. The proposed amendment extends the term under the lease as follows:

 Commencement of the new rent and term will commence upon approval by your Board; The Honorable Board of Supervisors April 12, 2005 Page 4

- A full-service gross basis with the Lessor responsible for all operating and maintenance costs:
- Elimination of the operating expense pass-through provision in favor of a fixed rental rate for the remainder of the extended lease term:
- A cancellation provision at or anytime after 18 months by giving 90 days prior written notice.

The CAO Real Estate Division staff conducted a survey within the project area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could suitably accommodate this requirement. Based upon said survey, staff has established that the rental range for similar space is between \$18.00 and \$25.20 per square foot per year full-service gross. Thus, the annual rental rate of \$21.00 full-service gross for the proposed lease represents a rate within the market range for the area. Attachment B shows County-owned or leased facilities in the proximity of the service area and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works has completed a seismic inspection of the facility and found it suitable for the County's continued occupancy.

The construction and operational costs associated with a childcare facility at this location are not financially feasible for the Department at this time.

LEGAL/NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT

The CAO has made an initial study of environmental factors and has concluded that this project is exempt from CEQA pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section (b) of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

It is the finding of the CAO that the proposed lease amendment is in the best interests of the County and will provide the space necessary for the PD to continue program operations. In accordance with your Board policy on the housing of any County offices or activities, the PD concurs in the lease recommendation.

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CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return two originals of executed Amendment No. 3 to Lease No. 61564, the certified copy of the Minute Order and the adopted, stamped Board letter to the CAO Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012.

Respectfully submitted,

DAVID E. JANSSEN

Chief Administrative Officer

DEJ:CWW CEM:NCH:hd

c: County Counsel Auditor-Controller Public Defender

3655Torrance.b

THE PUBLIC DEFENDER 3655 TORRANCE BOULEVARD, TORRANCE Asset Management Principles Compliance Form¹

1.	<u>Oc</u>	Occupancy		No	N/A
	Α	Does lease consolidate administrative functions? ²			х
	В	Does lease co-locate with other functions to better serve clients? There is insufficient space at the Torrance Courthouse to accommodate this group.		Х	
	С	Does this lease centralize business support functions? ²			х
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² Ratio at 225 sf/person based on specific needs of this program.	х		
2	<u>Ca</u>	Capital			
	Α	Should this program be in leased space to maximize State/Federal funding?		Х	
	В	If not, is this a long term County program?	х		
	С	Is it a substantial net County cost (NCC) program? 100% NCC	х		
	D	If yes to 2 B or C; is it a capital lease or an operating lease with an option to buy?		х	
	E	If no, are there any suitable County-owned facilities available? Awaiting completion of Torrance Health Center retrofit to determine where program will be located.		х	
	F	If yes, why is lease being recommended over occupancy in County-owned space?			Х
	G	Is Building Description Report attached as Attachment B?	х		
	Н	Was build-to-suit or capital project considered? See E above.			Х
3.	3. Portfolio Management				
	Α	Did department utilize CAO Space Request Evaluation (SRE)?	х		
	В	Was the space need justified?	х		
	C	If a renewal lease, was co-location with other County departments considered?	х		
	D	Why was this program not co-located?			
		1 The program clientele requires a "stand alone" facility.			
		2No suitable County occupied properties in project area.			
		3. X No County-owned facilities available for the project.			
		4 Could not get City clearance or approval.			
		5 The Program is being co-located.			
	E	Is lease a full service lease? ²	х		
	F	Has growth projection been considered in space request?	Х		
	G	Has the Dept. of Public Works completed seismic review/approval?	Х		
		¹ As approved by the Board of Supervisors 11/17/98			

²If not, why not?

Attachment B

PUBLIC DEFENDER SPACE SEARCH - 5 MILE RADIUS FROM TORRANCE COURTHOUSE

	I			Γ		
	į	·	SQ. FT	SQ. FT.		SQ. FT.
LACO	FACILITY NAME	ADDRESS	GROSS	NET	OWNERSHIP	AVAILABLE
3908	HS-LAWNDALE HEALTH CTR(CLOSED)/PUBLIC LIBRARY	14616 GREVILLEA AVE, LAWNDALE 90260	9626	5254	OWNED	NONE
6721	PUBLIC LIBRARY-MASAO W SATOW LIBRARY	14433 S CRENSHAW BLVD, GARDENA	6639	5884	OWNED	NONE
5161	PUBLIC LIBRARY-GARDENA MAYME DEAR LIBRARY	1731 W GARDENA BLVD, GARDENA 90247	14122	11534	OWNED	NONE
5335	PUBLIC LIBRARY-HERMOSA BEACH LIBRARY	550 PIER AVE, HERMOSA BEACH 90254	6496	5084	OWNED	NONE
A117	REDONDO BEACH COURTHOUSE	117 W TORRANCE BL, REDONDO BEACH	3959	2881	LEASED	NONE
A375	REDONDO BEACH COURTHOUSE-ADMIN OFFICES	109 W TORRANCE BL, REDONDO BEACH	1958	1860	LEASED	NONE
A374	REDONDO BEACH COURTHOUSE-ANNEX	105 W TORRANCE BL, REDONDO BEACH	5642	5360	LEASED	NONE
A655	ALT PD & PUB DEFENDER-TORRANCE BRANCH OFFICES	3655 TORRANCE BL, TORRANCE 90503	2888	2801	LEASED	NONE
	SUBJECT OFFICE SPACE	3655 TORRANCE BL, TORRANCE 90503	8106	4968	LEASED	NONE
T825	TORRANCE COURT-STEPHEN E O'NEIL JURY ASSEMBLY	825 MAPLE AVE, TORRANCE 90503-5058	2880	2736	OWNED	NONE
5177	TORRANCE COURTHOUSE	825 MAPLE AVE, TORRANCE 90503-5058	155368	75242	FINANCED	NONE
5043	TORRANCE COURTHOUSE-ANNEX	3221 TORRANCE BLVD, TORRANCE 90503	16996	9560	OWNED	NONE
T019	TORRANCE COURTHOUSE-TRAFFIC DIVISION	3221 TORRANCE BLVD, TORRANCE 90503	2880	2808	OWNED	NONE
A414	DCFS-REGION II HEADQUARTERS/ TORRANCE OFFICE	2325 CRENSHAW BLVD, TORRANCE 90501	60804	57764	LEASED	NONE
2063	HARBOR-REI ADMINISTRATION BUILDING N-14	1124 W CARSON ST, TORRANCE 90502	11802	8829	OWNED	NONE
A074	CSSD-DIVISION V HDQTERS/ TORRANCE HEALTH CTR	20221 S HAMILTON ST, TORRANCE	66825	54835	LEASED	NONE
2958	DHS-CHILD HEALTH DISABILITY & PREVENTION N-34	1000 W CARSON ST, TORRANCE 90502	1125	874	OWNED	NONE
Y737	HARBOR-AF PARLOW HEALTH LIBRARY	1000 W CARSON ST, TORRANCE 90502	22846	20003	OWNED	NONE
T606	HARBOR-ENVIRONMENTAL HEALTH & SAFETY BLD N-32	1000 W CARSON ST, TORRANCE 90502	3600	3144	OWNED	NONE
2101	HARBOR-HOSPITAL PLANNING & ARCH/MECHANICAL F4	1000 W CARSON ST, TORRANCE 90502	5804	5544	OWNED	NONE
2061	HARBOR-MEDICAL RECORDS BLDG N-6	1000 W CARSON ST, TORRANCE 90502	2257	1824	OWNED	NONE
2869	HARBOR-MEDICAL RECORDS OFFICE F-8	1000 W CARSON ST, TORRANCE 90502	4040	2836	OWNED	NONE
X907	HARBOR-NURSING PRACTICE AFFAIRS BUILDING N-18	1000 W CARSON ST, TORRANCE 90502	2160	1586	OWNED	NONE
T531	HARBOR-PATIENT FINANCIAL SERVICES 3-SOUTH	1000 W CARSON ST, TORRANCE 90502	12240	9936	OWNED	NONE
T529	HARBOR-PAYROLL TRAILER L-4	1000 W CARSON ST, TORRANCE 90502	2160	1423	OWNED	NONE
2054	HARBOR-PUBLIC HEALTH PROGRAMS BLDG N-22	1000 W CARSON ST, TORRANCE 90502	2650	2120	OWNED	NONE
X904	HARBOR-REI EMERGENCY MEDICINE OFFICE N-7	1000 W CARSON ST, TORRANCE 90502	1011	672	OWNED	NONE
2093	HARBOR-REI MEDICINE OFFICES E-2	1000 W CARSON ST, TORRANCE 90502	4007	3611	OWNED	NONE
2870	HARBOR-REI NEUROLOGY BUILDING F-9	1000 W CARSON ST, TORRANCE 90502	5184	3863	OWNED	NONE
2095	HARBOR-REI PEDIATRICS/ EMERGENCY MEDICINE E-4	1000 W CARSON ST, TORRANCE 90502	10051	7219	OWNED	NONE
2127	HARBOR-WOMEN'S HEALTHCARE PROGRAMS BLDG N-35	1000 W CARSON ST, TORRANCE 90502	1535	1192	OWNED	NONE
4479	ANIMAL CONTROL #3-ADMINISTRATION BUILDING	216 W VICTORIA ST, CARSON 90248	1495		OWNED	NONE
5861	PUBLIC LIBRARY-CARSON REGIONAL LIBRARY	151 E CARSON ST, CARSON 90745	33112	27001	OWNED	NONE
6087	PUBLIC LIBRARY-VICTORIA PARK LIBRARY	17906 S AVALON BLVD, CARSON 90746	5024		OWNED	NONE
5-mile ra	SOUTH COAST-ADMINISTRATION BUILDING	26300 CRENSHAW BLVD, PALOS VERDES	3003	2133	OWNED	NONE

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AMENDMENT NO. 3 TO LEASE NO. 61564 3655 TORRANCE BOULEVARD, TORRANCE

THIS AMENDMENT NO. 3 TO	LEASE NO. 61564 made, entered and dated as of this
day of	, 2005 by and between OMNIS INTERNATIONAL,
	company, hereinafter referred to as "LESSOR" and the
COUNTY OF LOS ANGELES,	a body corporate and politic, hereinafter referred to as
"LESSEE".	• •

WITNESSETH

WHEREAS, a Lease and Agreement was amended (Amendment No. 2) and executed by and between Akira Industries Co., LTD Investment Group, LLC, as Lessor, and the County of Los Angeles as Lessee, on February 20, 2000, whereby the Lessor leased to Lessee those certain premises containing approximately 8,106 gross square feet of office space in a building located at 3655 Torrance Boulevard, Torrance, for an Extended Lease Term of five years, and;

WHEREAS, Omnis International, LLC, successor to Akira Industries Co., LTD is now the Lessor, and retains all rights and responsibilities granted as a result pursuant to Lease No. 61564, and Amendments No. 1 and 2 related thereto, and;

WHEREAS, Lessor and Lessee desire to extend the Lease Term and amend the terms of the Lease and;

WHEREAS, the terms of this Amendment No. 3 to Lease No. 61564 shall not become effective until such time that said Amendment No. 3 is executed by all parties herein.

NOW, THEREFORE, in consideration of the foregoing recitals, and mutual covenants, promises, and conditions hereinafter contained, the parties hereby agree, effective upon approval of this lease Amendment No. 3 by the Board of Supervisors, to amend said Lease No. 61564 as follows:

1. <u>TERM</u>: Effective upon execution of this Amendment by the parties herein, all previous references and paragraphs related to TERM, are deleted in their entirety and the following substituted therefor:

The Extended Term of this Lease shall be five (5) years commencing upon approval by the Board of Supervisors of the County of Los Angeles and ending five (5) years thereafter.

RENT: Effective upon execution of this Amendment by the parties herein previous references and paragraphs related to RENT, are hereby deleted in their entirety and the following is substituted therefor:

The Lessee hereby agrees to pay as rent for said demised Premises during the extended Lease Term, the sum of fourteen thousand one hundred eight-five and 50/100 dollars (\$14,185.50) per month, i.e., \$1.75 per rentable square foot per month, payable in advance by Auditor's General Warrant. Rental payments shall be payable within fifteen days after the first day of each and every month of the term hereof provided Lessor has caused a claim therefor for each such month to be filed with the Auditor of the County of Los Angeles prior to the first day of each month.

- 3. <u>TENANT IMPROVEMENTS</u>: Effective upon execution of this Amendment by the parties herein, the Lessor agrees to the following: Replace the existing office sliding glass window in reception area with a pass-through tray window. Paint the public waiting/reception area and touch up paint throughout the premises. Per the original cleaning and maintenance schedule, clean and shampoo the interior office carpet including maneuvering of existing boxes as needed. Close all currently exposed ceiling tiles as necessary.
- 4. <u>CANCELLATION</u>: Effective upon execution of this Amendment by the parties herein, previous references and paragraphs related to CANCELLATION, are hereby deleted in their entirety and the following is substituted therefor:

Lessee shall have the right to cancel this Lease at or any time after eighteen months from the commencement of the Extended Lease Term pursuant to this Amendment by providing the Lessor at least (90) days prior written notice by Chief Administrative Office letter. In the event of such cancellation, Lessee will pay a fee equal to the unamortized portion of verified tenant improvement expenses and brokerage commissions amortized at eight percent (8%) interest.

OPERATING COSTS: Paragraph 25 of the original Lease is deleted in its entirety.

Notwithstanding anything to the contrary, all other terms and conditions contained in Lease No. 61564 shall remain unchanged and are hereby reaffirmed.

IN WITNESS WHEREOF, the Lessor has executed this Amendment No. 3 to Lease No. 61564 or caused it to be duly executed, and the County of Los Angeles, by the order of its Board of Supervisors, has caused this Amendment No. 3 to be executed on its behalf by the Chair of said Board and attested by the Clerk thereof the day, month, and year first above written.

above written.	
	LESSOR OMNIS INTERNATIONAL, LLC
	Name: GARY CHON
	Title: member manager
ATTEST:	·
VIOLET VARONA-LUKENS Executive Officer-Clerk of the Board of Supervisors	COUNTY OF LOS ANGELES
By Deputy	By Chair, Board of Supervisors
APPROVED AS TO FORM: Office of the County Counsel	
By Francis E. Scott Principal Deputy County Counsel	

3655Amend.3